

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

In Re: WC BRAKER PORTFOLIO, LLC	§	
	§	Case No. 22-10293-tmd
	§	
	§	
Debtor	§	Chapter 11
	§	

DEBTOR'S RESPONSE TO THE ORDER TO SHOW CAUSE

TO THE HONORABLE TONY M. DAVIS, U.S. BANKRUPTCY JUDGE

COMES NOW, WC Braker Portfolio, LLC ("WC Braker" or "Debtor"), and files this Response to the Court's *Order to Show Cause* (the "OSC"). The Debtor, a World Class entity, acknowledges the Court's prior position and does not oppose the appointment of a chapter 11 trustee as a court appointed fiduciary that will continue to operate this real estate entity, which is a viable, cash flowing, operating asset. For purposes of informing the Court and the United States Trustee, the Debtor would show as follows:

1. Debtor filed this case after a secured noteholder pursued its aggressive tactics to take over the Debtor's properties. Prior to filing the bankruptcy, Debtor was in active negotiations with the original lender, J.P. Morgan Chase, to refinance the secured loan. Based on conversations J.P. Morgan Chase, Debtor understood that the J.P. Morgan Chase was not going to pursue foreclosure on May 3rd due to the anticipated replacement loan.

2. On Friday April 29th, just a few days prior to the noticed foreclosure, J.P. Morgan Chase sold the note to ATX Braker SR, LLC ("Mortgage Noteholder"), a Karlin Real Estate entity. Previously, ATX Braker, LLC (the "Mezzanine Noteholder"), an affiliate of the Mortgage Noteholder (together with the Mortgage Noteholder, the "Noteholders"), had purchased a note

entered into by the sole member of the Debtor, WC Braker Portfolio B, LLC that was secured by the member's interest in the Debtor. The Mezzanine Lender attempted to conduct a UCC foreclosure sale but was enjoined from foreclosing due to the irregularities in its foreclosure process.

3. The Mortgage Noteholder advised the Debtor that it was going forward with the foreclosure, notwithstanding the pending refinancing of the debt of the Mortgage Noteholder and the Mezzanine Noteholder. The Mortgage Noteholder's intention to proceed with the foreclosure sale was due to the failed UCC foreclosure attempt of Mezzanine Noteholder on the equity interest in the Debtor. The Noteholders apparently did not want to be paid in full but instead wanted to take the Debtor's properties and capitalize upon the Debtor's massive equity position of at least \$60 million.

4. Debtor is in the commercial real estate business and leases out commercial office space to many different businesses. The Debtor's assets consist of 11 parcels of commercial properties in north central Austin along Braker Lane, Kramer Lane, and Metric Blvd. (the "Properties"). At the time of filing the petition, approximately twenty-nine entities had leases with the Debtor and generate approximately \$600,000 in monthly rent.

5. Prior to filing the voluntary petition, the Debtor engaged with a third-party to refinance the debt owed to the Mortgage Borrower and the Mezzanine Noteholder. For reasons beyond its control, the Debtor was not able to complete the refinancing to take out the Noteholders prior to the scheduled foreclosure date. When the Mortgage Noteholder acquired the mortgage note from J.P. Morgan Chase the week before the previously scheduled foreclosure date, the Mortgage Noteholder advised the Debtor that it was going forward with the foreclosure, notwithstanding the pending refinancing of the debt of the Mortgage Noteholder and the

Mezzanine Noteholder. Debtor's only option to protect its equity position was to seek protection under Chapter 11.

6. The Debtor's eleven parcels of property are appraised by Travis County at approximately \$163 million. The Noteholders have two loans that total approximately \$100 million. The Noteholders attempts to foreclose are a naked attempt to convert the equity in Debtor's properties into a massive windfall for themselves.

7. Debtor has at approximately 29 current leases over the 11 properties. Those leases generate significant monthly income the disposition of which has been dictated by the terms of the underlying mortgage and related agreements. Between the income and the massive equity cushion in the property, Debtor is confident that the Noteholders are adequately protected. Additionally, given the operations and the equity, the Debtor strongly asserts that under its management, it would be able to refinance the debt under favorable terms to pay all administrative, secured, priority, and unsecured claims in full. With a realization that the Court will most likely order the appointment of a chapter 11 trustee, the Debtor respectfully requests that the Court and the United States Trustee consider the facts herein and appoint a person or entity with operational experience and that will consider all of the components of this case and not make significant decisions in haste.

WHEREFORE the Debtor does not oppose the entry of an order directing the appointment of a chapter 11 trustee.

Respectfully Submitted:

/s/ Todd Headden

Ron Satija

Bar Number: 24039158

Todd Headden

Bar Number: 24096285

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PROPOSED COUNSEL FOR WC
BRAKER PORTFOLIO, LLC

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of foregoing motion was filed on May 23, 2022 using the CM/ECF system which will send notification on all parties requesting such notice. Additionally, within one business day thereafter, the pleadings was served by U.S. postal service upon the parties listed on the attached matrix.

/s/ Todd Headden

Label Matrix for local noticing
0542-1
Case 22-10293-tmd
Western District of Texas
Austin
Mon May 23 12:11:13 CDT 2022

WC Braker Portfolio, LLC
814 Lavaca Street
Austin, TX 78701-2316

U.S. BANKRUPTCY COURT
903 SAN JACINTO, SUITE 322
AUSTIN, TX 78701-2450

ADT Security Services Inc.
1817 W. Braker Ln, F-300-F-400
Austin, TX 78758-3626

ATX BRAKER SR, LLC
11755 Wilshire Boulevard, Suite 1400
Los Angeles, CA 90025-1519

ATX BRAKER, LLC
11755 Wilshire Boulevard, Suite 1400
Los Angeles, CA 90025-1519

ATX Braker SR, LLC
c/o Liz Boydston
Polsinelli PC
2950 N. Harwood Street, Suite 2100
Dallas, TX 75201-1623

ATX Braker, LLC
c/o Liz Boydston
Polsinelli PC
2950 N. Harwood Street, Suite 2100
Dallas, TX 75201-1623

Action Behavior Centers LLC
1600 Westlake Dr.
Austin, TX 78746-3740

Airship Syndicate Entertainment Inc.
11500 Metric Blvd., Ste. 430
Austin, TX 78758-4043

Aptara Inc. dba iEnergizer
2901 Telestar Ct., Ste. 522
Falls Church, VA 22042-1263

Arrow Electronics Inc.
5201 Tennyson Pkwy., Ste. 200
Plano, TX 75024-4129

Atkins North America Inc.
City Plaza
445 North Blvd., Ste. 805
Baton Rouge, LA 70802-5742

Austin's Colony
c/o Cagle Pugh
4304 Westbank Dr.
Bldg. A Ste. 150
Austin, TX 78746

Austin's Colony Homeowners Association,
c/o Pamco Inc.
700 Market St.
Bldg. 3
Cedar Park, TX 78613-2683

Braun Intertec Corporation
fka W&M Environmental Group LLC
1101 Hampshire Ave.
Minneapolis, MN 55438

Caffrey & Company LLC
2100 Kramer Ln. Ste. 100
Austin, TX 78758-4098

CallFire Inc.
1410 2nd St., Ste. 200
Santa Monica, CA 90401-3349

Central Security Group Inc.
2448 E. 81st St., 43rd Floor
Tulsa, OK 74137-4250

City of Austin
PO Box 2267
Austin, TX 78783-2267

Clarus Vision LLC
1826 Kramer Lane, Ste. G
Austin, TX 78758-4239

Comptroller of Public Accounts
C/O Office of the Attorney General
Bankruptcy - Collections Division MC-008
PO Box 12548
Austin TX 78711-2548

David Simmons
1910 West Braker Ln., Ste. 400
Austin, TX 78758-4175

Davila General Contractors LLC
821 San Antonio St., Ste. 500
Austin, TX 78701

Double Line Inc.
1817 Kramer Lane
Bldg. F, Ste. 100
Austin, TX 78758

Excel Fitness Holdings Inc.
dba Planet Fitness
1901 W. Braker Ln., Ste. D-400
Austin, TX 78758-4090

George P. Johnson Company
3600 Giddings Rd.
Auburn Hills, MI 48326-1515

Gibson, Dunn & Crutcher LLP
Attn: Jesse Shapiro
333 South Grand Avenue
Los Angeles, CA 90071-3197

Gibson, Dunn & Crutcher LLP
Attn: Mitchell A. Karlan
200 Park Avenue
New York, NY 10166-4799

Grande Communication
PO Box 679367
Dallas, TX 75267-9367

Gursel, LLC Attn: Gursel J. Shabani 11701 Hidden Quail Dr. Austin, TX 78758-3666	Halal Brothers LLC 1910 W. Braker Ln., Ste. 800 Austin, TX 78758-4179	Honor Technology Inc. 201 Third St., Ste. 1010 San Francisco, CA 94103-3129
Howard E. Schreiber c/o Hunton Andrews Kurth LLP 1445 Ross Ave., Ste. 3700 Dallas, TX 75202-2755	Howmedica Osteonics Corp. dba Styker Orthopedics 11500 Metric Blvd., Ste. 495 Austin, TX 78758-4145	Image API, Inc. 2100 Kramer Ln., Ste. 700 Austin, TX 78758-4105
Inoca Holdco II LLC FCS Fox Commercial Services LLC PO Box 19047 Austin, TX 78760-9047	J. Wales Enterprises LLC 4809 Century Dr. Fort Worth, TX 76140-1529	(p)JPMORGAN CHASE BANK N A BANKRUPTCY MAIL INTAKE TEAM 700 KANSAS LANE FLOOR 01 MONROE LA 71203-4774
Kibo Software Inc. 104 Decker Ct., #110 Irving, TX 75062-2757	Kimberly A. Walsh Assistant Attorney General Bankruptcy & Collections Division MC 008 P.O. Box 12548 Austin, Texas 78711-2548	Kinetics Systems, Inc. 3083 Independence Dr. Livermore, CA 94551-7707
Kroem Lanh/Central Donut 11505 Lake Victors Dr. Pflugerville, TX 78660	Lee Structured Cabling Inc. 3007 Longhorn Blvd., Ste. 109 Austin, TX 78758-7632	Lite-On, Inc. 1826 Kramer Lane Bldg. A, Ste. D Austin, TX 78758-4239
Lone Star Capital Bank, NA 1910 W. Braker Lane Bldg. 3, Ste. 100 Austin, TX 78758-4024	MCRT Gulf Coast Southwest Construction LLC 5910 N. Central Expy., Ste. 1100 Dallas, TX 75206-5488	Merch Revolution LLC Haute Rock Creative 1901 W. Braker Ln., Ste. D-200 Austin, TX 78758-4088
Merch. & Prof. Credit Bureau 5508 Parkcrest Dr Ste 210 Austin, TX 78731-4929	Midland Funding 2365 Northside Dr Ste 300 San Diego, CA 92108-2710	Midland Funding LLC Attn: Bankruptcy PO Box 939069 San Diego, CA 92193-9069
Midland Funding LLC Po Box2011 Warren MI 48090	Motoza LLC 2100 Kramer Ln., Ste. 750 Austin, TX 78758-4010	ONLINEMEDED LLC 11500 Metric Blvd., Ste. 330 Austin, TX 78758-4102
Owlchemy Labs Inc. 8920 Business Park Dr., Ste. 110 Austin, TX 78759-7498	PJS of Texas, Inc. 1304 W. Oltorf Street Attn: Andy Perez, Accounting Manager Austin, TX 78704-5333	PRA Receivables Management, LLC PO Box 41021 Norfolk, VA 23541-1021
(p)PORTFOLIO RECOVERY ASSOCIATES LLC PO BOX 41067 NORFOLK VA 23541-1067	Potts Automotive 1401 PowerLn Cedar Park, TX 78613-7270	Prismnet Ltd. 11500 Metric Blvd. Bldg. M2, Ste. 280 Austin, TX 78758-4042

Quantum3 Group LLC as agent for
Credit Corp Solutions Inc PO Box 788
Kirkland, WA 98083-0788

Radius Global Solutions LLC
PO Box 390846
Minneapolis, MN 55439-0846

Rainbow Pizza LLC
Domino's Pizza
216 W. Village Rd., Ste. 302
Corpus Christi, TX 78408

Rausch Strum Israel Enerson & Hornill
15660 Dallas Pkwy Ste 350
Dallas, TX 75248-3344

Raymond Construction Co., Inc.
3100 Research Dr., Ste. 100
Richardson, TX 75082-3503

SYNCHRONY BANK
c/o Weinstein & Riley, PS
2001 Western Ave., Ste 400
Seattle, WA 98121-3132

Santander Consumer USA
PO Box 660633
Dallas, TX 75266-0633

Scott & Associates PC
PO Box 115220
Carrollton, TX 75011-5220

Seth Kretzer
c/o Lynnette Warman
Culhane Meadows PLLC
13101 Preston Rd., Ste 110-1593
Dallas TX 75240-5237

Smith & Nephew Inc.
11101 Metric Blvd., Ste. I-100-I-200
Austin, TX 78758-4019

Southwest Credit Systems LP
4120 International Pkwy Ste 1100
Carrollton, TX 75007-1958

Spectrum Business
PO Box 60074
City of Industry, CA 91716-0074

(c)SUBWAY REAL ESTATE CORP.
325 SUB WAY
MILFORD CT 06461-3081

Synchrony Bank
c/o PRA Receivables Management, LLC
PO Box 41021
Norfolk VA 23541-1021

Synchrony Bank/ CC Discount Tire
Attn: Bankruptcy
PO Box 965060
Orlando, FL 32896-5060

Texas Comptroller of Public Accounts
c/o Kimberly A. Walsh
Bankruptcy & Collections Division MC 008
P.O. Box 12548
Austin, TX 78711-2548

Texas Department of Transportation
12719 Burnet Rd
Austin, TX 78727-4207

Texas Gas Service
PO Box 219913
Kansas City, MO 64121-9913

The Terminix International Company LP
1836 Kramer
Bldg. A, Ste. F
Austin, TX 78758

USAA FEDERAL SAVINGS BANK
C/O: WEINSTEIN & RILEY, PS
2001 WESTERN AVENUE, STE 400
SEATTLE, WA 98121-3132

USAA Federal Savings Bank
10750 McDermott Fwy
San Antonio, TX 78288-0570

United Consumer Financial Services
Attn: Bankruptcy 865 Bassett Rd
Westlake, OH 44145-1194

United Consumer Financial Services
Bass & Associates, P.C.
3936 E. Ft. Lowell Suite 200
Tucson, AZ 85712-1083

United Consumer Financial Services
c/o Patti Bass
Bass & Associates, P.C.
3936 E. Ft. Lowell Suite 200
Tucson, A:Z 85712-1083

United States Trustee
903 San Jacinto, #230
Austin, TX 78701-2450

United States Trustee - AU12
United States Trustee
903 San Jacinto Blvd, Suite 230
Austin, TX 78701-2450

United Technologies Corporation
Pratt & Whitney Division
1909 W. Braker Lane
Bldg. E, Ste. 300
Austin, TX 78758-4085

Virtuix Inc.
1826 Kramer Ln., Ste. H
Austin, TX 78758-4239

Waste Connections
Lone Star Inc.
PO Box 742695
Cincinnati, OH 45274-2695

Wells Fargo Bank NA
Attn: Bankruptcy
1 Home Campus MAC X2303-01A
Des Moines, IA 50328-0001

Wells Fargo Bank NA
 MAC F823F-02F
 PO Box 10438
 Des Moines, IA 50306-0438

Wells Fargo Bank, N.A.
 PO Box 10438 MAC F8235-02F
 Des Moines, IA 50306-0438

Wells Fargo Bank, N.A.
 1000 Blue Gentian Road
 Eagan, MN 55121-1663

Xoriant Corporation
 2522 Chambers Road, Ste. 100
 Tustin, CA 92780-6962

eOne Integrated Business Solutions LLC
 2632 47th Street S., Ste. 111
 Fargo, ND 58104-8571

Todd Brice Headden
 Hayward PLLC
 901 Mopac Expressway South
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 Austin, TX 78746-5776

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified
 by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g)(4).

JPMorgan Chase Bank, N.A.
 Attn: Jennifer Lewin
 383 Madison Avenue
 New York, NY 10179

Portfolio Recovery Associates, LLC
 PO Box 41067
 Norfolk, VA 23541-1067

(d)Portfolio Recovery Associates, LLC
 POB 41067
 Norfolk VA 23541

Addresses marked (c) above for the following entity/entities were corrected
 as required by the USPS Locatable Address Conversion System (LACS).

Subway Real Estate Corp.
 325 Bic Drive
 Milford, CT 06461

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(d)ATX Braker SR, LLC
 11755 Wilshire Blvd., Ste. 1400
 Los Angeles, CA 90025-1519

(u)HGR Industrial Surplus Inc.
 20001 Euclid Ave.
 OH 44170

(d)Wells Fargo Bank, N.A.
 PO Box 10438, MAC F8235-02F
 Des Moines, IA 50306-0438

End of Label Matrix
 Mailable recipients 95
 Bypassed recipients 3
 Total 98